

Build. Grow. Expand.

Fourth Quarter F2022 Earnings Presentation

May 19, 2022

Forward-Looking Statements

Notice to Reader: This presentation and the oral statements made during this call contain certain statements that constitute forward-looking information within the meaning of applicable securities laws ("forward-looking statements"). Forward-looking statements include all statements that are not historical facts regarding possible events, conditions or results of operations that ATS believes, expects or anticipates will or may occur in the future, including, but not limited to, outlook in our markets, margin expansion, ABM, order funnel, and Order Backlog to revenue conversion rate. Such forward-looking statements are inherently subject to significant known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of ATS, or developments in ATS' business or in its industry, to differ materially from the anticipated results, performance, achievements or developments expressed or implied by such forward-looking statements. Important risks, uncertainties and factors that could cause actual results to differ materially from expectations expressed in the forward-looking statements include, but are not limited to, the duration and impact of the COVID-19 pandemic, impact of regional or global conflicts; general market performance, performance of the markets that ATS serves, impact of inflation, foreign currency and exchange risk, performance of the Canadian dollar, success and impact of the initiatives that ATS is undertaking, variations in the amount of Order Backlog completed in any given quarter, that efforts to expand adjusted earnings from operations margin over long-term is unsuccessful, due to any number of reasons, including less than anticipated increase in after-sales service revenues or reduced margins attached to those revenues, inability to achieve lower costs through supply chain management, failure to develop, adopt internally, or have customers adopt, standardized platforms and technologies, inability to maintain current cost structure if revenues were to grow, and failure of ABM to impact margins, and other risks and uncertainties detailed from time to time in ATS' filings with securities regulators, including, without limitation, the risk factors described in ATS' annual information form for the fiscal year ended March 31, 2022, which are available on the System for Electronic Document Analysis and Retrieval ("SEDAR") and can be accessed at www.sedar.com. ATS has attempted to identify important factors that could cause actual results to materially differ from current expectations, however, there may be other factors that cause actual results to differ materially from such expectations. Forward-looking statements are necessarily based on a number of estimates, factors and assumptions regarding, among others, management's current plans, estimates, projections, beliefs and opinions, the future performance and results of the Company's business and operations; assumption of successful implementation of margin improvement initiative; and general economic conditions and global events, including the COVID-19 pandemic. Forward-looking statements included in this presentation are only provided to understand management's current expectations relating to future periods and, as such, are not appropriate for any other purpose. Although ATS believes that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties, and ATS cautions you not to place undue reliance upon any such forward-looking statements, which speak only as of the date they are made. ATS does not undertake any obligation to update forward-looking statements contained herein other than as required by law.

Non-IFRS and Other Financial Measures

Throughout this presentation management uses certain non-IFRS measures, non-IFRS ratios and supplementary financial measures to evaluate the performance of the Company. The terms "EBITDA", "organic revenue", "adjusted net income", "adjusted earnings from operations", "adjusted EBITDA", "adjusted basic earnings per share", and "free cash flow" are non-IFRS financial measures, "operating margin", "adjusted operating margin", "organic revenue growth", and "net debt to adjusted EBITDA" are non-IFRS ratios, and "Order Bookings", "Order Backlog", and "book-to-bill ratio" are supplementary financial measures, which do not have any standardized meaning prescribed within International Financial Reporting Standards ("IFRS") and therefore may not be comparable to similar measures presented by other companies. Such measures should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. In addition, management uses "earnings from operations", which is an additional IFRS measure, to evaluate the performance of the Company. Earnings from operations is presented on the Company's consolidated statements of income as net income excluding income tax expense and net finance costs. Operating margin is an expression of the Company's earnings from operations as a percentage of revenues. EBITDA is defined as earnings from operations excluding depreciation and amortization. Organic revenue is defined as revenues in the stated period excluding revenues from acquired companies for which the acquired company was not a part of the consolidated group in the comparable prior period. Organic revenue growth compares the stated period organic revenue with the reported revenue of the comparable period. Adjusted earnings from operations is defined as earnings from operations before items excluded from management's internal analysis of operating results, such as amortization expense of acquisition-related intangible assets, acquisition-related transaction and integration costs, restructuring charges, and certain other adjustments which would be non-recurring in nature ("adjustment items"). Adjusted operating margin is an expression of the Company's adjusted earnings from operations as a percentage of revenues. Adjusted EBITDA is defined as adjusted earnings from operations excluding depreciation and amortization. Adjusted basic earnings per share is defined as adjusted net income on a basic per share basis, where adjusted net income is defined as adjusted earnings from operations less net finance costs and income tax expense, plus tax effects of adjustment items and adjusted for other significant items of a non-recurring nature. Free cash flow is defined as cash provided by operating activities less property, plant and equipment and intangible asset expenditures. Net debt to adjusted EBITDA is the ratio of the net debt of the Company (cash and cash equivalents less bank indebtedness, long-term debt, and lease liabilities) to adjusted EBITDA. Order Bookings represent new orders for the supply of automation systems, services and products that management believes are firm. Order Backlog is the estimated unearned portion of revenues on customer contracts that are in process and have not been completed at the specified date. Book to bill ratio is a measure of Order Bookings compared to revenue.

Earnings from operations, operating margin, EBITDA and adjusted EBITDA are used by the Company to evaluate the performance of its operations. Management believes that earnings from operations is an important indicator in measuring the performance of the Company's operations on a pre-tax basis and without consideration as to how the Company finances its operations. Management believes that organic revenue and organic revenue growth, when considered with IFRS measures, allow the Company to better measure the Corporation's performance and evaluate long-term performance trends. Organic revenue growth also facilitates easier comparisons of the Corporation's performance with prior and future periods and relative comparisons to its peers. Management believes that EBITDA and adjusted EBITDA are important indicators of the Company's ability to generate operating cash flows to fund continued investment in its operations. Management believes that adjusted earnings from operations, adjusted operating margin, adjusted EBITDA and adjusted basic earnings per share are important measures to increase comparability of performance between periods. The adjustment items used by management to arrive at these metrics are not considered to be indicative of the business' ongoing operating performance. Free cash flow is used by the Company to measure cash flow from operations after investment in property, plant and equipment and intangible assets. Management uses net debt to adjusted EBITDA as a measurement of leverage of the Company. Order Bookings provide an indication of the Company's ability to secure new orders for work during a specified period, while Order Backlog provides a measure of the value of Order Bookings that have not been completed at a specified point in time. Both Order Bookings and Order Backlog are indicators of future revenues that the Company expects to generate based on contracts that management believes to be firm. Book to bill ratio is used to measure the Company's ability and timeliness to convert Order Bookings into revenues. Management believes that ATS shareholders and potential investors in ATS use these additional IFRS measures and non-IFRS financial measures in making investment decisions and measuring operational results.

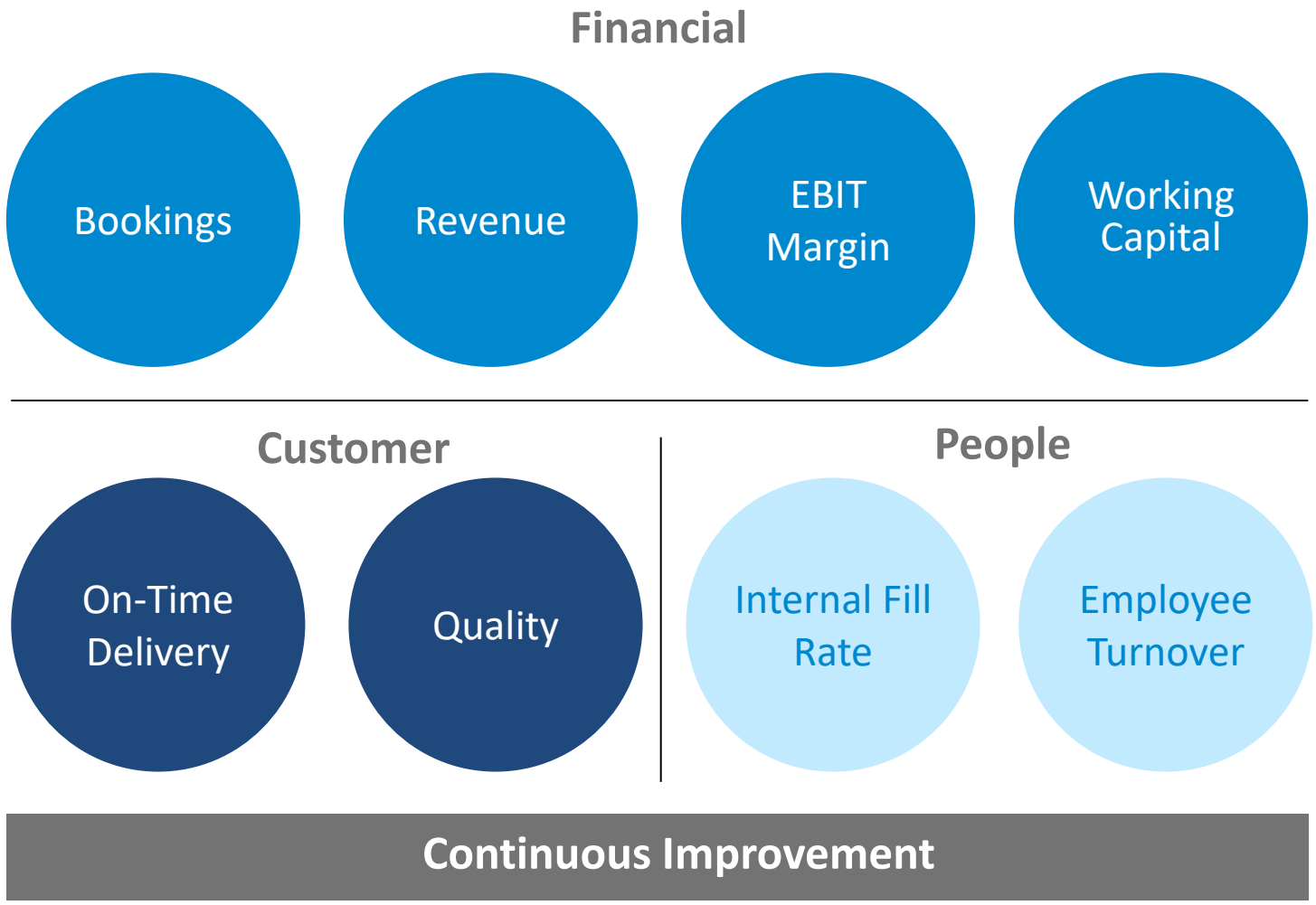
A reconciliation of Order Bookings and Order Backlog to total Company revenues are contained in this presentation. A reconciliation of (i) EBITDA and adjusted EBITDA to earnings from operations and net income, (ii) adjusted earnings from operations to earnings from operations, (iii) adjusted basic earnings per share to basic earnings per share, (iv) free cash flow and net debt to their IFRS measure components, and (v) organic revenue to revenue in each case is contained in this presentation.

Fourth Quarter Highlights

- ATS continued to execute well in a challenging environment
- **Order Bookings[1] (up 38% y/y)**
- **Revenues up 51% y/y** driven by recent acquisitions and organic revenue growth[1] in Life Sciences
- **Adj. Operating Margin[1] 14.2% (up 183 bps y/y)** driven by improved cost structure, strong program execution, higher after-sales services revenues, and lower stock compensation expense
- **Net income up 67.6% y/y** (diluted EPS up 65.4% y/y)
- **Completed Life Sciences acquisition:** HSG Engineering S.r.l., (December 30, 2021)

1. See "Appendix: Reconciliation of Non-IFRS Measures to IFRS Measures."

Our 8 Value Drivers

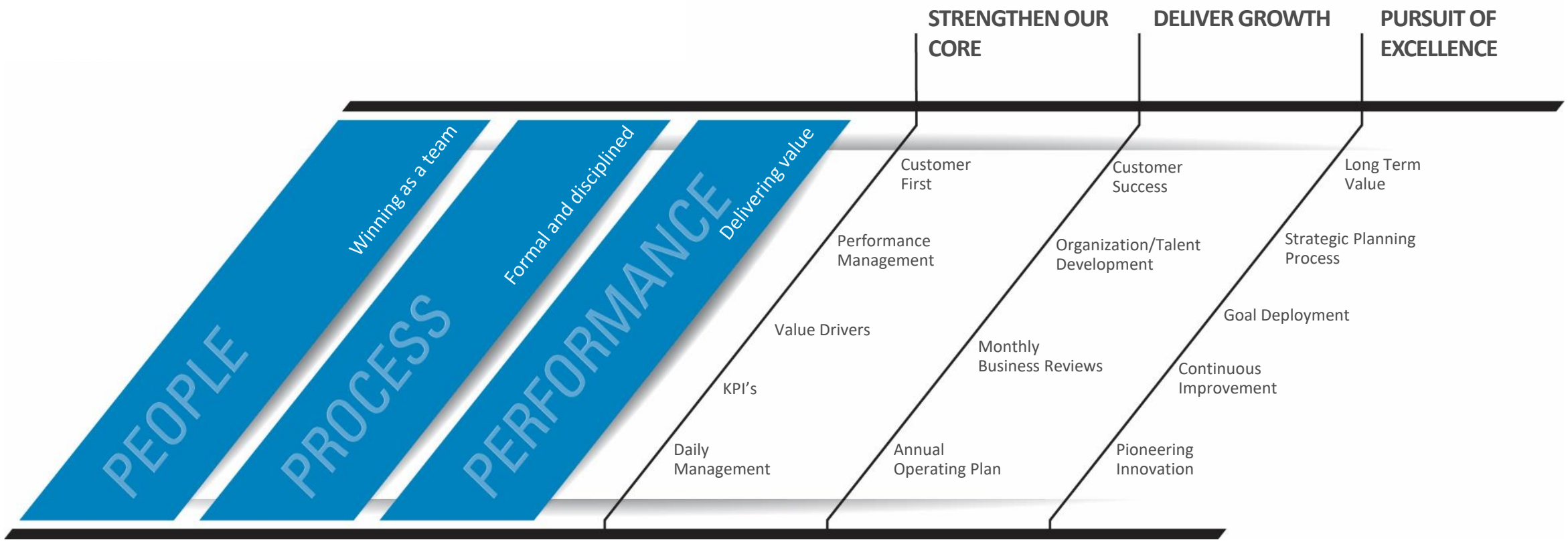


Outlook

- **Order Backlog[1] (up 24% y/y)** provides good future revenue visibility
- **Life Sciences** healthy across medical devices, pharma and radiopharma
- **EV** acceleration of OEM investment plans, ATS positioning in battery assembly
- **Food & Beverage** Order Bookings across processing and packaging
- **Consumer** activity in warehouse automation, ongoing rebound in personal care/cosmetics
- **Energy** customer interest in nuclear power and grid battery storage
- **Macro environment** challenged by geopolitical situation, inflation, supply chain, labour shortages
- **ATS ideally suited** to assist global customers strengthen their supply chains, reduce production costs and labour dependence

1. See "Appendix: Reconciliation of Non-IFRS Measures to IFRS Measures."

ATS Business Model



Expanding Our Presence

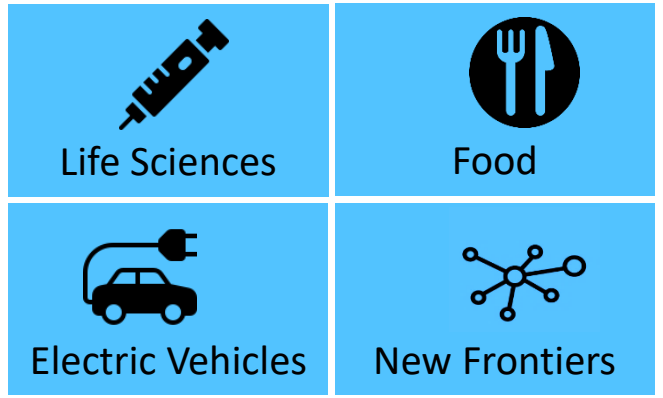
Attractive Markets

Barriers to Entry:

- Regulated environments
- Technologically intense
- Complex processes
- Quality critical

Market Dynamics:

- Life Sciences: demographics, new treatments, new ailments, disposables
- Food: government regs, quality, demographics
- EV: government regs, CO^2 reduction
- New frontiers, factory optimization, digitization



Enablers



INNOVATION — Differentiated technologies / products



DIGITAL GROWTH — IIOT, serialization, predictive maintenance, real-time optimization



STRATEGIC M&A — Strengthen and expand portfolio

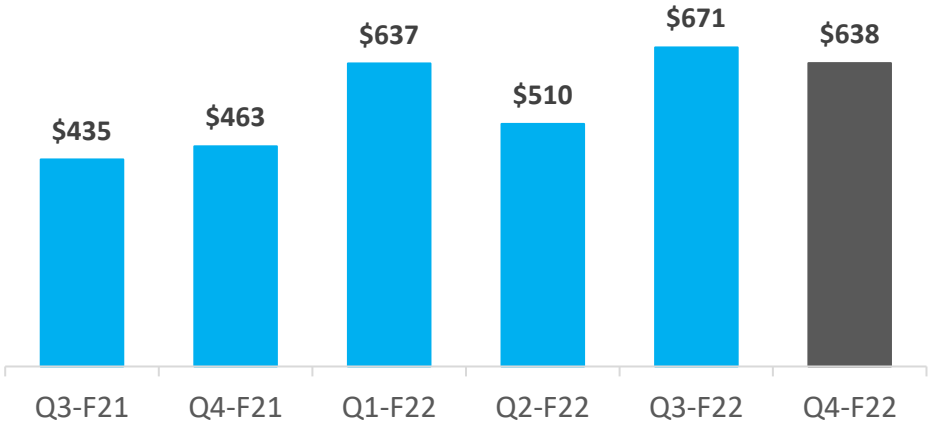


MARGIN IMPROVEMENT — Standardization, supply chain, operational leverage, after-sales services growth, ABM

Order Bookings

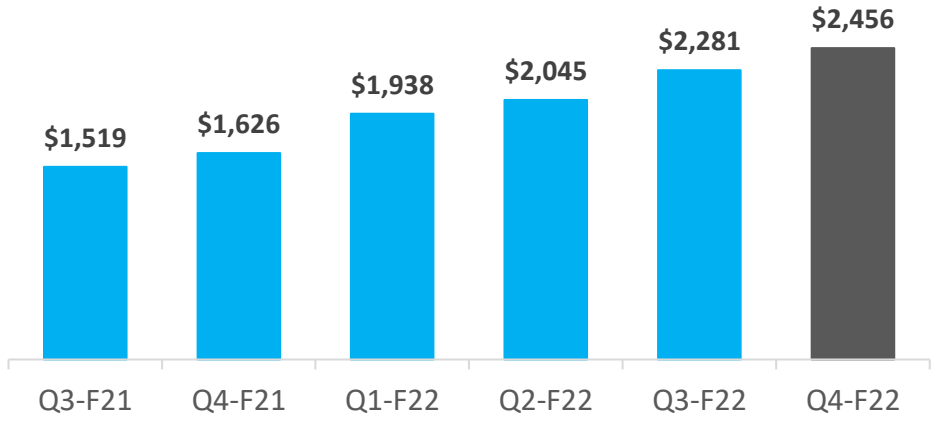
Quarterly Order Bookings[1]

Figures in Millions of Canadian dollars

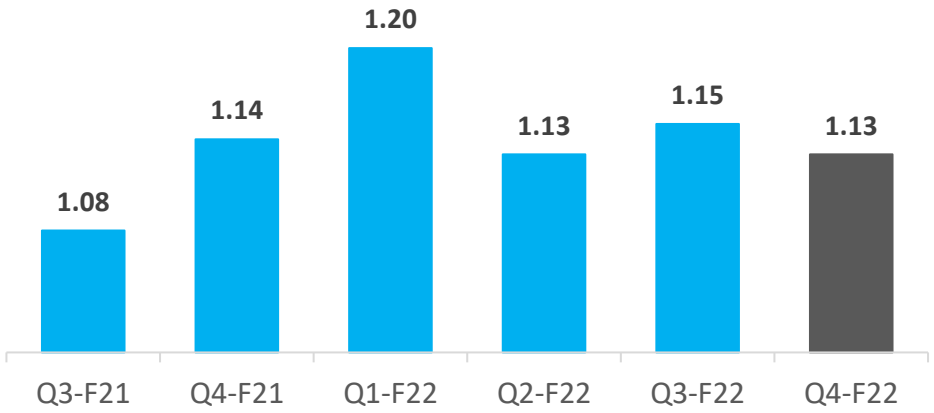


LTM Order Bookings[1,2]

Figures in Millions of Canadian dollars



LTM Book to Bill Ratio[1,2]



1. *See "Appendix: Reconciliation of Non-IFRS Measures to IFRS Measures";*
2. *LTM Order Bookings = Order Bookings for the previous twelve months.*

Q4 F2022 Financial Results

(C$ mm, except per share data)	Q4 F2022	Q4 F2021	Y/Y Change ($)	Y/Y Change (%)
Revenues	**$603.2**	$399.9	$203.3	**50.8%**
Earnings from operations	**59.8**	42.8	17.0	**39.7%**
Adjusted earnings from operations[1]	**85.8**	49.5	36.3	**73.3%**
EBITDA[1]	**92.3**	60.2	32.1	**53.3%**
Adjusted EBITDA[1]	**99.1**	58.8	40.3	**68.5%**
Net income	**39.9**	23.8	16.1	**67.6%**
Basic and diluted earnings per share	**0.43**	0.26	0.17	**65.4%**
Adjusted basic earnings per share[1]	**0.64**	0.34	0.30	**88.2%**

Revenue Growth:

Organic	10.5%
Acquisitions	43.0%
FX	(2.7)%
Total	50.8%

- Revenues driven by recent acquisitions and strength in Life Sciences
  - Organic revenue growth[1] y/y 10.5%
- Adjusted operating margin[1] was 14.2%, up 183 bps y/y driven by improved cost structure, strong program execution, and higher revenues from after-sales services and lower stock compensation expense

1. See "Appendix: Reconciliation of Non-IFRS Measures to IFRS Measures."

F2022 Financial Results

(C$ mm, except per share data)	F2022	F2021	Y/Y Change ($)	Y/Y Change (%)
Revenues	**$2,182.7**	$1,430.0	$752.7	**52.6%**
Earnings from operations	**186.6**	119.6	67.0	**56.0%**
Adjusted earnings from operations[1]	**292.4**	163.2	129.2	**79.2%**
EBITDA[1]	**302.0**	190.6	111.4	**58.4%**
Adjusted EBITDA[1]	**343.9**	200.7	143.2	**71.4%**
Net income	**121.4**	64.1	57.3	**89.4%**
Basic earnings per share	**1.32**	0.70	0.62	**88.6%**
Diluted earnings per share	**1.31**	0.69	0.62	**89.9%**
Adjusted basic earnings per share[1]	**2.17**	1.07	1.10	**102.8%**

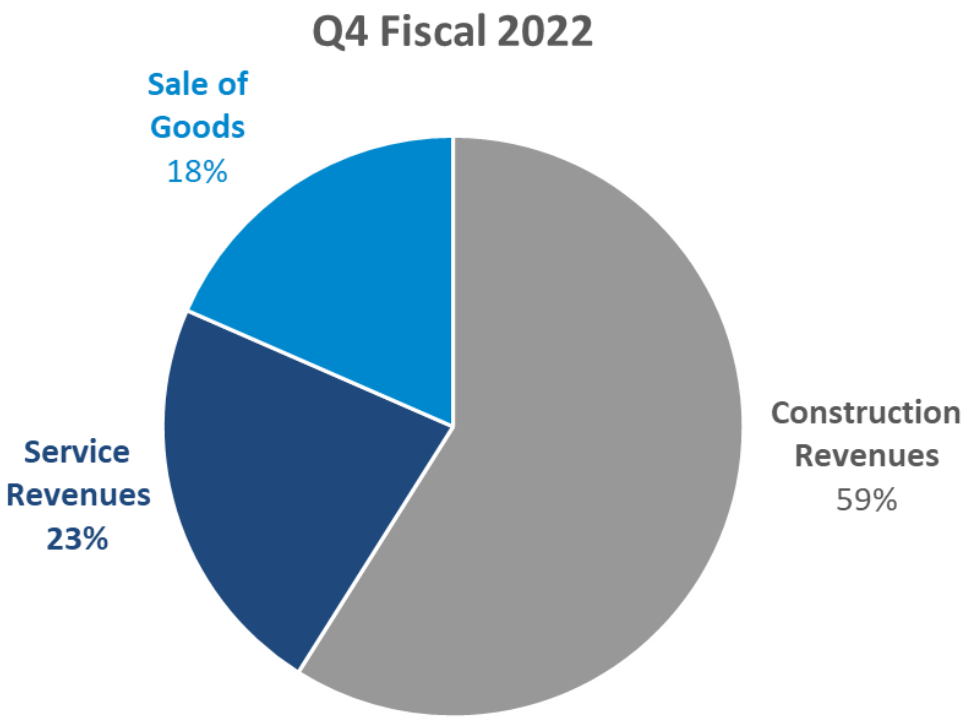
Revenue Growth:

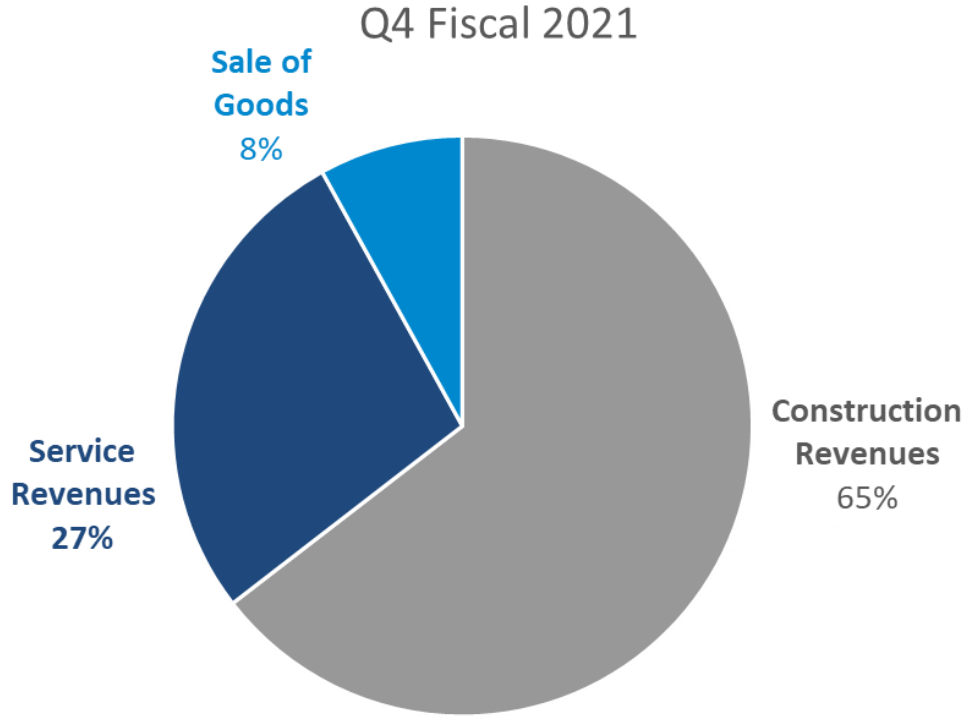
Organic	20.4%
Acquisitions	36.5%
FX	(4.3)%
Total	52.6%

- Revenues driven by recent acquisitions and strength in Life Sciences
  - Organic revenue growth[1] y/y 20.4%
- Adjusted operating margin[1] was 13.4%, up 198 bps y/y driven by improved cost structure, strong program execution, and higher revenues from after-sales services

1. See "Appendix: Reconciliation of Non-IFRS Measures to IFRS Measures."

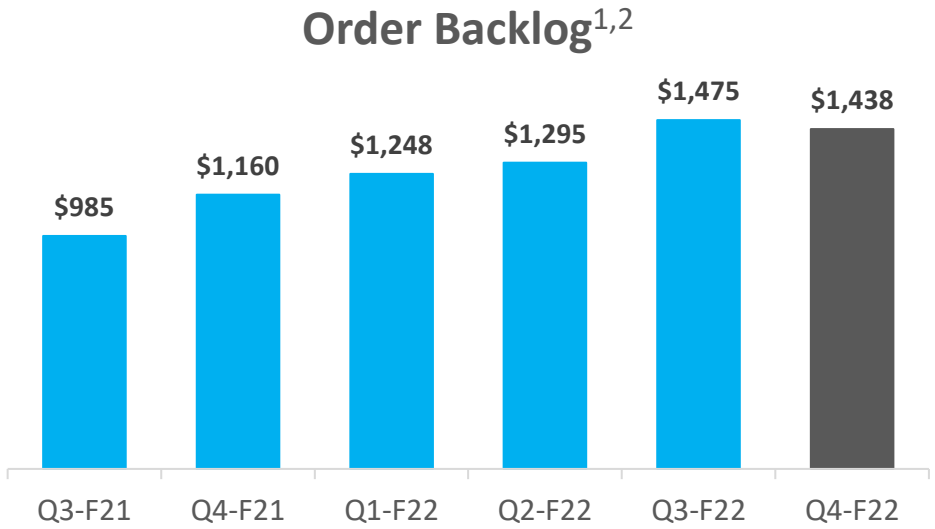
Revenues by Type

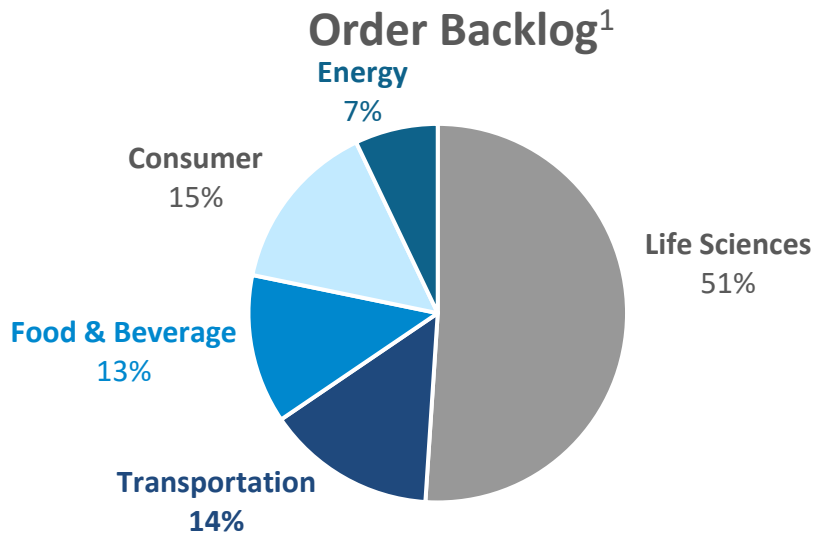


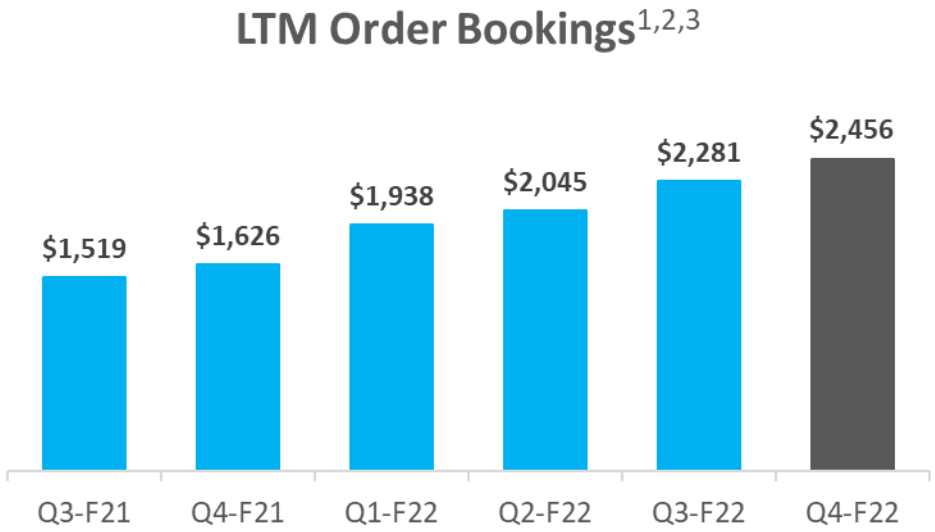


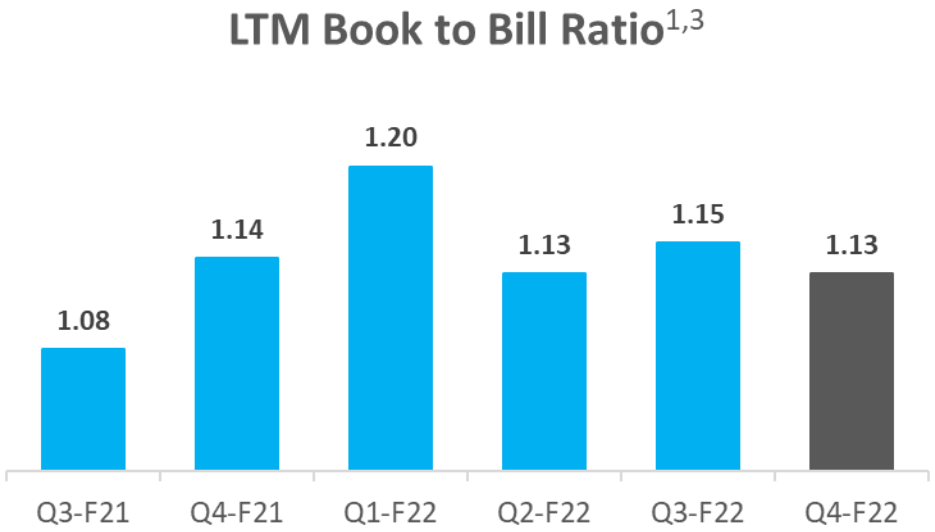
- As expected, change in mix driven primarily by acquired companies
- Higher weighting on product sales provides good balance to our project-based revenues

Order Backlog







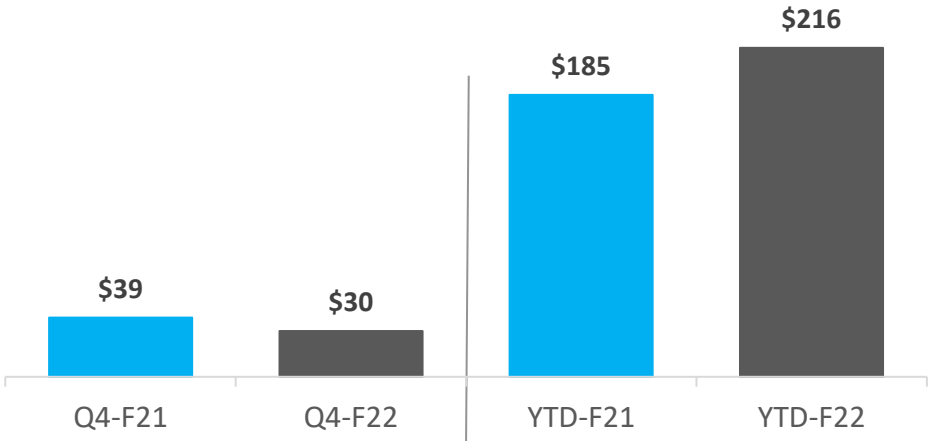


1. See "Appendix: Reconciliation of Non-IFRS Measures to IFRS Measures"; 2. Order Bookings & Backlog in C$ mm;
3. LTM Order Bookings = Order Bookings for the previous twelve months.

Cash Flow Generation

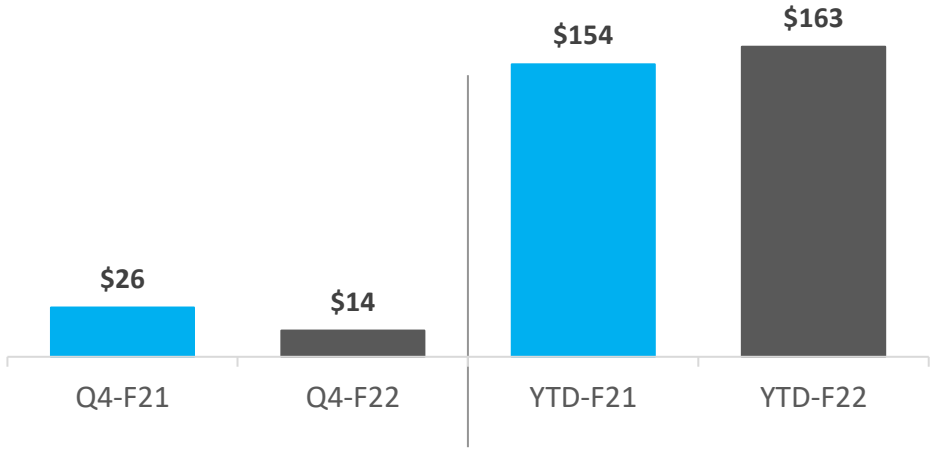
Cash Flow from Operations[1]

Figures in Millions of Canadian dollars

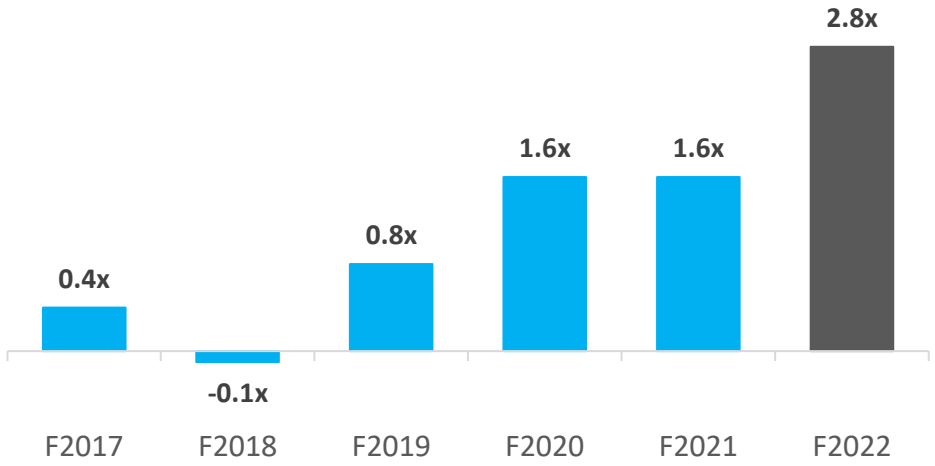


Free Cash Flow[1]

Figures in Millions of Canadian dollars



Net Debt to Adj. EBITDA[1]



1. *See "Appendix: Reconciliation of Non-IFRS Measures to IFRS Measures."*

Summary

- Record revenues and strong Order Bookings
- Mitigation efforts via ABM tools in response to challenging business environment
- Positive activity levels across end-markets
- Integration of acquisitions on track – CFT (March 2021), BioDot (June 2021), NCC (September 2021), SP (November 2021)
- HSG Engineering acquisition closed in Q4-22
- Expect Q1-F23 Order Backlog to revenue conversion in lower end of 40%-45% range

Appendix

Reconciliation of Non-IFRS Measures to IFRS Measures



Appendix: Reconciliation of Non-IFRS Measures to IFRS Measures

(C$ mm)	F2018	F2019	F2020	F2021	F2022		Q4 F2022	Q4 F2021
Adjusted EBITDA	**133.3**	**161.9**	**195.1**	**200.7**	**343.9**		**99.1**	**58.8**
Restructuring charges	11.2	-	26.6	14.3	5.9		1.9	-
Gain on sale of facility	-	-	-	(5.3)	-		-	-
Acquisition-related transaction costs	-	4.7	1.5	6.7	12.0		1.4	4.2
Contingent consideration adjustment	-	-	-	(5.6)	(1.7)		(1.7)	(5.6)
Acquisition-related inventory fair value charges	-	-	-	-	25.7		5.2	-
EBITDA	**122.1**	**157.2**	**167.0**	**190.6**	**302.0**		**92.3**	**60.2**
Less: depreciation and amortization expense	36.6	42.4	71.4	71.0	115.4		32.5	17.4
Earnings from operations	**85.5**	**114.8**	**95.6**	**119.6**	**186.6**		**59.8**	**42.8**
Less: net finance costs	23.8	20.9	28.1	40.1	32.2		9.6	16.7
Less: provision for income taxes	14.5	23.1	14.6	15.4	33.0		10.3	2.3
Net income	**47.2**	**70.8**	**52.9**	**64.1**	**121.4**		**39.9**	**23.8**

(C$ mm)	F2017	F2018	F2019	F2020	F2021	F2022
Organic revenue	1,010.9	1,114.9	1,240.8	1,318.2	1,404.7	1,661.0
Revenues of acquired companies	-	-	12.8	111.5	25.3	521.7
Total revenue	**1,010.9**	**1,114.9**	**1,253.6**	**1,429.7**	**1,430.0**	**2,182.7**
Annual organic revenue growth		**10.3%**	**11.3%**	**5.2%**	**(1.7)%**	**16.2%**

(C$)	Q4 F2022	Q4 F2021	YTD F2022	YTD F2021
Basic earnings per share	**0.43**	**0.26**	**1.32**	**0.70**
Restructuring charges	0.02	-	0.07	0.16
Gain on sale of facility	-	-	-	(0.06)
Acquisition-related transaction costs	0.02	0.05	0.13	0.07
Amortization of acquisition-related intangible assets	0.21	0.09	0.69	0.37
Acquisition-related inventory fair value charges	0.06	-	0.28	-
Contingent consideration adjustment	(0.02)	(0.06)	(0.02)	(0.06)
	0.72	**0.34**	**2.47**	**1.18**
Add: adjustment to net finance costs	-	0.10	-	0.10
Less: adjustment to provision for income taxes	0.08	0.10	0.30	0.21
Adjusted basic earnings per share	**0.64**	**0.34**	**2.17**	**1.07**

(C$ mm)	Q3 F2021	Q4 F2021	Q1 F2022	Q2 F2022	Q3 F2022	Q4 F2022
Opening Order Backlog	956	985	1,160	1,248	1,295	1,475
Revenues	(370)	(400)	(511)	(522)	(547)	(603)
Order Bookings	435	463	637	510	671	638
Order Backlog Adjustments	(36)	122	(38)	59	56	(72)
Ending Order Backlog	**985**	**1,160**	**1,248**	**1,295**	**1,475**	**1,438**

Appendix: Reconciliation of Non-IFRS Measures to IFRS Measures

(C$ mm)	Q4 F2022	Q4 F2021	YTD F2022	YTD F2021
Adjusted earnings from operations	**85.8**	**49.5**	**292.4**	**163.2**
Restructuring charges	1.9	-	5.9	14.3
Gain on sale of facility	-	-	-	(5.3)
Acquisition-related transaction costs	1.4	4.2	12.0	6.7
Amortization of acquisition-related intangible assets	19.2	8.1	63.9	33.5
Acquisition-related inventory fair value charges	5.2	-	25.7	-
Contingent consideration adjustment	(1.7)	(5.6)	(1.7)	(5.6)
Earnings from operations	**59.8**	**42.8**	**186.6**	**119.6**
Less: net finance costs	9.6	16.7	32.2	40.1
Less: provision for income taxes	10.3	2.3	33.0	15.4
Net income	**39.9**	**23.8**	**121.4**	**64.1**

(C$ mm)	F2017	F2018	F2019	F2020	F2021	F2022
Cash and cash equivalents	286.7	330.2	224.5	358.6	187.5	135.3
Bank indebtedness	(1.4)	(2.7)	(2.0)	(4.6)	(1.1)	(1.8)
Current portion of long-term debt	(1.3)	(0.4)	(18.6)	(0.1)	(0.1)	-
Long-term debt	(326.0)	(315.1)	(328.2)	(598.0)	(430.6)	(1,016.7)
Net cash (debt) prior to IFRS 16	(42.0)	12.0	(124.2)	(244.1)	(244.3)	(883.2)
Lease liabilities	-	-	-	(62.9)	(73.0)	(82.9)
Net cash (debt)	**(42.0)**	**12.0**	**(124.2)**	**(307.0)**	**(317.3)**	**(966.1)**

(C$ mm)	Q4 F2022	Q4 F2021	YTD F2022	YTD F2021
Cash flows provided by operating activities	30.0	38.9	216.2	185.2
Acquisition of property, plant and equipment	(8.4)	(10.4)	(36.3)	(21.5)
Acquisition of intangible assets	(7.9)	(2.6)	(17.0)	(10.0)
Free Cash Flow	**13.7**	**25.9**	**162.9**	**153.7**

(C$ mm)	F2017	F2018	F2019	F2020	F2021	F2022
Net Debt	(42.0)	12.0	(124.2)	(307.0)	(317.3)	(966.1)
Adjusted EBITDA (LTM)	111.7	133.3	161.9	195.1	200.7	343.9
Historical Leverage (Net Debt/Adj. EBITDA)	**0.4x**	**-0.1x**	**0.8x**	**1.6x**	**1.6x**	**2.8x**